

2005 DRAFTING REQUEST

Bill

Received: **01/06/2005**

Received By: **pkahler**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Fath**

This file may be shown to any legislator: **NO**

Drafter: **gmalaise**

May Contact:

Addl. Drafters: **pkahler**

Subject: **Public Assistance - Wis works
Children - day care**

Extra Copies:

Submit via email: **NO**

Pre Topic:

DOA:.....Fath, BB0369 -

Topic:

Quality rating and tiered reimbursement systems for child care providers

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pkahler 01/11/2005 gmalaise 01/12/2005 pkahler 01/12/2005	wjackson 01/12/2005		_____ _____ _____ _____ _____			State
/1			jfrantze 01/13/2005	_____ _____	mbarman 01/13/2005		State
/2	gmalaise 01/17/2005	wjackson 01/18/2005	pgreensl 01/18/2005	_____ _____	lnorthro 01/18/2005		

FE Sent For:

<END>

2005 DRAFTING REQUEST

Bill

Received: **01/06/2005**

Received By: **pkahler**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Fath**

This file may be shown to any legislator: **NO**

Drafter: **gmalaise**

May Contact:

Addl. Drafters: **pkahler**

Subject: **Public Assistance - Wis works
Children - day care**

Extra Copies:

Submit via email: **NO**

Pre Topic:

DOA:.....Fath, BB0369 -

Topic:

Quality rating and tiered reimbursement systems for child care providers

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pkahler 01/11/2005 gmalaise 01/12/2005 pkahler 01/12/2005	wjackson 01/12/2005 <i>/2WY 1/18</i>	<i>1/18</i> <i>08</i>	<i>1/18</i> <i>08</i>			State
/1			jfrantze 01/13/2005	<i>08</i> <i>19</i>	mbarman 01/13/2005		

FE Sent For:

<END>

2005 DRAFTING REQUEST

Bill

Received: 01/06/2005

Received By: **pkahler**

Wanted: **As time permits**

Identical to LRB:

For: **Administration-Budget**

By/Representing: **Fath**

This file may be shown to any legislator: **NO**

Drafter: ~~pkahler~~ *gmalaize*

May Contact:

Addl. Drafters: *PJK*

Subject: **Public Assistance - Wis works**

Extra Copies:

Submit via email: **NO**

Pre Topic:

DOA:.....Fath, BB0369 -

Topic:

Quality rating and tiered reimbursement systems for childcare providers

Instructions:

See Attached

Drafting History:

<u>Vers.</u>	<u>Drafted</u>	<u>Reviewed</u>	<u>Typed</u>	<u>Proofed</u>	<u>Submitted</u>	<u>Jacketed</u>	<u>Required</u>
/?	pkahler	<i>1 WLJ 1/12</i>	<i>Jb 1/13</i>	<i>Jch</i> <u>1/13</u>			

FE Sent For:

<END>

2005-07

2003-05 Budget Bill Statutory Language Drafting Request

- Topic: Quality Rating and Tiered Reimbursement Systems
- Tracking Code: BB0369
- SBO team: Education
- SBO analyst: Erin Fath
 - Phone: 266-8219
 - Email: erin.fath@doa.state.wi.us
- Agency acronym: DWD
- Agency number: 445

Date: January 6, 2005
To: Steve Miller
From: Erin Fath
Subject: Statutory Language Request

Quality Rating and Tiered Reimbursement Systems

The intent of this change is to permit DWD to implement a Quality Rating (QR) system for childcare providers and a Tiered Reimbursement (TR) system for reimbursing childcare providers under the state's childcare subsidy program [s. 49.155]. The intent is not to specify the details of either of the systems in law, but just to give DWD the authority to implement the changes.

The QR system would rate the quality of all licensed and certified childcare providers in the state. The rating information for each childcare provider would then be made accessible to childcare consumers for the purpose of making informed decisions about childcare. DWD would have the authority to design the QR system.

Under a TR system, DWD would reimburse childcare providers under the state's childcare subsidy program according to that provider's rating under the QR system. The reimbursement (subsidy) to the childcare provider under the TR system may be less than, equal to or greater than what it would be under current law. The TR system would also be designed by DWD. You may need to include a "notwithstanding s. 49.155 (6) ..." clause, because the reimbursement under a TR system could be greater than under current law (i.e., greater than the maximum provider reimbursement rates as defined under s. 49.155 (6)(a) to (c)).

Please make this change effective with passage of the budget bill.

If you have any questions, please call me at 6-8219, or send me an email at erin.fath@doa.state.wi.us.

Thank you.

Malaise, Gordon

From: Fath, Erin
Sent: Tuesday, January 11, 2005 12:13 PM
To: Malaise, Gordon
Subject: RE: Quality Rating System for Child Care Providers

I think that will work - thanks Gordon.

-Erin

-----Original Message-----

From: Malaise, Gordon [mailto:Gordon.Malaise@legis.state.wi.us]
Sent: Monday, January 10, 2005 6:06 PM
To: Kahler, Pam
Cc: Fath, Erin
Subject: Quality Rating System for Child Care Providers

Pam and Erin:

Yes, I can draft in ch. 48 a brief section directing DWD to develop and implement a child care quality rating system and to make that information available to child care consumers.

LRB-0404, however, transfers child care licensing from DHFS to DWD and out of ch. 48 and into ch. 49 effective July 1, 2006. So, what I'll probably do is create s. 48.658 effective immediately and renumber that section to s. 49.982 (5) effective July 1, 2006.

Gordon



State of Wisconsin
2005 - 2006 LEGISLATURE

LRB-1522/3

GMM/...

WJ
+PJK

Please Fix
Request Sheet

DOA:.....Fath, BB0369 - Quality rating and tiered reimbursement systems
for childcare providers ✓

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION ✓

D. note

do not
get cut ✓

TODAY

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES ✓

CHILDREN ✓

Under current law, DHFS may license a person to operate a day care center, a county department of human services or social services (county department) may certify a day care provider for reimbursement under the Wisconsin Works (W-2) program, and a school board may establish or contract for the provision of day care programs for children. This bill requires DWD to provide a child care quality rating system that rates the quality of the child care provided by a child care provider that is licensed by DHFS, certified by a county department, or established or contracted for by a school board and to make the rating information provided under that system available to parents, guardians, and legal custodians of children who are recipients, or prospective recipients, of care and supervision from a child care provider, including making that information available on DWD's Internet site.

WISCONSIN WORKS ✓

Under current law, a child care subsidy is available under the W-2 program, which is administered by DWD, to an individual who needs child care to maintain employment or pursue basic or technical college education. Under this child care subsidy program, DWD reimburses child care providers directly and distributes

under the bill

funds to county departments and American Indian tribal governing bodies for child care services provided to children of migrant workers and to children of W-2 participants. Under the statutes county departments are required to set maximum reimbursement rates for child care providers that provide child care services under the child care subsidy program. This bill provides that DWD may establish a tiered reimbursement system for the child care subsidy program. Under such a system, a child care provider would be reimbursed at a rate that is based on the child care quality rating system ~~that is~~ established by DWD ~~and~~ that rates the quality of the child care provided by a child care provider. The amount paid to a child care provider under the tiered reimbursement system may exceed the maximum reimbursement rate set by the county department.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 SECTION 1. 48.658 of the statutes is created to read:

2 **48.658 Child care quality rating system.** The department of workforce
3 development shall provide a child care quality rating system that rates the quality
4 of the child care provided by a child care provider that is licensed under s. 48.65,
5 certified under s. 48.651, or established or contracted for under s. 120.13 (14). The
6 department of workforce development shall make the rating information provided
7 under that system available to the parents, guardians, and legal custodians of
8 children who are recipients, or prospective recipients, of care and supervision from
9 a child care provider that is licensed under s. 48.65, certified under s. 48.651, or
10 established or contracted for under s. 120.13 (14), including making that information
11 available on that department's Internet site.

12 SECTION 2. 48.658 of the statutes, as created by 2005 Wisconsin Act *iii* (this
13 act), is renumbered 49.982 (5) and amended to read:

14 **49.982 (5) Child care quality rating system.** The department of workforce
15 development shall provide a child care quality rating system that rates the quality

1 of the child care provided by a child care provider that is licensed under s. 48.65
2 49.98, certified under s. 48.651 49.156, or established or contracted for under s.
3 120.13 (14). The department of ~~workforce development~~ shall make the rating
4 information provided under that system available to the parents, guardians, and
5 legal custodians of children who are recipients, or prospective recipients, of care and
6 supervision from a child care provider that is licensed under s. 48.65 49.98,
7 under s. 48.651 49.156, or established or contracted for under s. 120.13 (14),
8 including making that information available on that department's Internet site.

9 **SECTION 3.** 49.155 (6) (e) of the statutes is created to read:

10 49.155 (6) (e) The department may establish a tiered reimbursement system
11 under which the department reimburses a child care provider for child care services
12 provided under this section at a rate that is based on the child care provider's quality
13 rating under the rating system ^{established} under s. 48.658. Notwithstanding pars. (a), (b), and
14 (c), the rate at which a child care provider is reimbursed under a system established
15 under this paragraph may exceed the maximum reimbursement rate established
16 under par. (a), (b), or (c).

17 **SECTION 4.** 49.155 (6) (e) of the statutes, as created by 2005 Wisconsin Act
18 (this act), is amended to read:

19 49.155 (6) (e) The department may establish a tiered reimbursement system
20 under which the department reimburses a child care provider for child care services
21 provided under this section at a rate that is based on the child care provider's quality
22 rating under the rating system ^{established} under s. 48.658 49.982 (5). Notwithstanding pars.
23 (a), (b), and (c), the rate at which a child care provider is reimbursed under a system
24 established under this paragraph may exceed the maximum reimbursement rate
25 established under par. (a), (b), or (c).

SECTION 9421. Effective dates; health and family services.

(1) **TRANSFER OF DAY CARE CENTER LICENSING.** The renumbering and amendment of section 48.658 of the statutes and the amendment of section 49.155 (6) (e) of the statutes take effect on July 1, 2006, or on the day after publication, whichever is later.

(END)

Done

**DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU**

LRB-1522/1dn
GMM&PJK:.....
WJ

Erin:

The renumbering and amendment of s. 48.658 and the amendment of s. 49.155 (6) (e) are contingent on LRB05-0404 being incorporated in the final budget bill. If -0404 is in, the renumbering and amendment of s. 48.658 and the amendment of s. 49.155 (6) (e) stay in and the delayed effective date of those treatments is folded into the delayed effective date of -0404. If -0404 is out, the renumbering and amendment of s. 48.658, the amendment of s. 49.155 (6) (e), and the delayed effective date of those treatments are out.

Note that the tiered reimbursement system rates will have an effect on the Learnfare program under s. 49.26 (1) (e). Assume that this is okay.

Gordon M. Malaise
Senior Legislative Attorney
Phone: (608) 266-9738
E-mail: gordon.malaise@legis.state.wi.us

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1522/1dn
GMM&PJK:wlj:jf

January 13, 2005

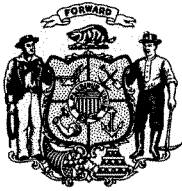
Erin:

The renumbering and amendment of s. 48.658 and the amendment of s. 49.155 (6) (e) are contingent on LRB05-0404 being incorporated into the final budget bill. If -0404 is in, the renumbering and amendment of s. 48.658 and the amendment of s. 49.155 (6) (e) stay in and the delayed effective date of those treatments is folded into the delayed effective date of -0404. If -0404 is out, the renumbering and amendment of s. 48.658, the amendment of s. 49.155 (6) (e), and the delayed effective date of those treatments are out.

Note that the tiered reimbursement system rates will have an effect on the Learnfare Program under s. 49.26 (1) (e). We assume that this is okay.

Gordon M. Malaise
Senior Legislative Attorney
Phone: (608) 266-9738
E-mail: gordon.malaise@legis.state.wi.us

Pamela J. Kahler
Senior Legislative Attorney
Phone: (608) 266-2682
E-mail: pam.kahler@legis.state.wi.us



State of Wisconsin
2005 - 2006 LEGISLATURE

DA OFE

LRB-1522/1
GMM&PJK:wlj:jfz
rme

DOA:.....Fath, BB0369 - Quality rating and tiered reimbursement systems
for child care providers

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

TODAY

DO NOT GEN

1 AN ACT ...; relating to: the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

CHILDREN

Under current law, DHFS may license a person to operate a day care center, a county department of human services or social services (county department) may certify a day care provider for reimbursement under the Wisconsin Works (W-2) program, and a school board may establish or contract for the provision of day care programs for children. This bill requires DWD to provide a child care quality rating system that rates the quality of the child care provided by a child care provider that is licensed by DHFS, certified by a county department, or established or contracted for by a school board and to make the rating information provided under that system available to parents, guardians, and legal custodians of children who are recipients, or prospective recipients, of care and supervision from a child care provider, including making that information available on DWD's Internet site.

WISCONSIN WORKS

Under current law, a child care subsidy is available under the W-2 program, which is administered by DWD, to an individual who needs child care to maintain employment or pursue basic or technical college education. Under this child care subsidy program, DWD reimburses child care providers directly and distributes

funds to county departments and American Indian tribal governing bodies for child care services provided to children of migrant workers and to children of W-2 participants. Under the statutes county departments are required to set maximum reimbursement rates for child care providers that provide child care services under the child care subsidy program. This bill provides that DWD may establish a tiered reimbursement system for the child care subsidy program. Under such a system, a child care provider would be reimbursed at a rate that is based on the child care quality rating system established by DWD under the bill that rates the quality of the child care provided by a child care provider. The amount paid to a child care provider under the tiered reimbursement system may exceed the maximum reimbursement rate set by the county department.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 ~~SECTION 1. 48.658 of the statutes is created to read:~~

2 ~~**48.658 Child care quality rating system.** The department of workforce~~
3 ~~development shall provide a child care quality rating system that rates the quality~~
4 ~~of the child care provided by a child care provider that is licensed under s. 48.65,~~
5 ~~certified under s. 48.651, or established or contracted for under s. 120.13 (14). The~~
6 ~~department of workforce development shall make the rating information provided~~
7 ~~under that system available to the parents, guardians, and legal custodians of~~
8 ~~children who are recipients, or prospective recipients, of care and supervision from~~
9 ~~a child care provider that is licensed under s. 48.65, certified under s. 48.651, or~~
10 ~~established or contracted for under s. 120.13 (14), including making that information~~
11 ~~available on that department's Internet site.~~

12 ~~SECTION 2. 48.658 of the statutes, as created by 2005 Wisconsin Act ... (this~~
13 ~~act), is renumbered 49.982 (5) and amended to read:~~

1 ~~49.982 (5) Child care quality rating system.~~ The department of workforce
2 ~~development~~ shall provide a child care quality rating system that rates the quality
3 of the child care provided by a child care provider that is licensed under s. 48.65
4 ~~49.98~~, certified under s. 48.651 ~~49.156~~, or established or contracted for under s.
5 120.13 (14). The department of workforce development shall make the rating
6 information provided under that system available to the parents, guardians, and
7 legal custodians of children who are recipients, or prospective recipients, of care and
8 supervision from a child care provider that is licensed under s. 48.65 ~~49.98~~, certified
9 under s. 48.651 ~~49.156~~, or established or contracted for under s. 120.13 (14),
10 including making that information available on that department's Internet site.

11 SECTION 3. 49.155 (6) (e) of the statutes is created to read:

12 49.155 (6) (e) The department may establish a tiered reimbursement system
13 under which the department reimburses a child care provider for child care services
14 provided under this section at a rate that is based on the child care provider's quality
15 rating under the rating system established under s. 48.658. Notwithstanding pars.
16 (a), (b), and (c), the rate at which a child care provider is reimbursed under a system
17 established under this paragraph may exceed the maximum reimbursement rate
18 established under par. (a), (b), or (c).

19 SECTION 4. ~~49.155 (6) (e) of the statutes, as created by 2005 Wisconsin Act ...~~
20 (this act), is amended to read:

21 49.155 (6) (e) The department may establish a tiered reimbursement system
22 under which the department reimburses a child care provider for child care services
23 provided under this section at a rate that is based on the child care provider's quality
24 rating under the rating system established under s. 48.658 ~~49.982 (5)~~.
25 Notwithstanding pars. (a), (b), and (c), the rate at which a child care provider is

1 reimbursed under a system established under this paragraph may exceed the
2 maximum reimbursement rate established under par. (a), (b), or (c).

3 **SECTION 9421. Effective dates; health and family services.**

4 (1) TRANSFER OF DAY CARE CENTER LICENSING. The renumbering and amendment
5 of section 48.658 of the statutes and the amendment of section 49.155 (6) (e) of the
6 statutes take effect on July 1, 2006, or on the day after publication, whichever is later.

7 (END)

Ins-2
4-6

DN 05 E

Erin

If this redraft reflects the immediate effective date of
the day care center licensing draft, LRB 05-0404 ✓

Gm

- 2 -
Enst 4-6

funds to county departments and American Indian tribal governing bodies for child care services provided to children of migrant workers and to children of W-2 participants. Under the statutes county departments are required to set maximum reimbursement rates for child care providers that provide child care services under the child care subsidy program. This bill provides that DWD may establish a tiered reimbursement system for the child care subsidy program. Under such a system, a child care provider would be reimbursed at a rate that is based on the child care quality rating system established by DWD under the bill that rates the quality of the child care provided by a child care provider. The amount paid to a child care provider under the tiered reimbursement system may exceed the maximum reimbursement rate set by the county department.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

SECTION 1. ~~48.658~~ of the statutes is created to read:

~~48.658~~ **Child care quality rating system.** The department of workforce development shall provide a child care quality rating system that rates the quality of the child care provided by a child care provider that is licensed under s. ~~48.65~~, certified under s. ~~48.651~~, or established or contracted for under s. 120.13 (14). The department of workforce development shall make the rating information provided under that system available to the parents, guardians, and legal custodians of children who are recipients, or prospective recipients, of care and supervision from a child care provider that is licensed under s. ~~48.65~~, certified under s. ~~48.651~~, or established or contracted for under s. 120.13 (14), including making that information available on that department's Internet site.

SECTION 2. ~~48.658~~ of the statutes, as created by 2005 Wisconsin Act... (this act), is renumbered 49.982 (5) and amended to read:

the

DRAFTER'S NOTE
FROM THE
LEGISLATIVE REFERENCE BUREAU

LRB-1522/2dn
GMM:wlj:pg

January 18, 2005

Erin:

This redraft reflects the immediate effective date of the day care center licensing draft, LRB05-0404.

Gordon M. Malaise
Senior Legislative Attorney
Phone: (608) 266-9738
E-mail: gordon.malaise@legis.state.wi.us



State of Wisconsin
2005 - 2006 LEGISLATURE

LRB-1522/2
GMM&PJK:wlj:pg

DOA:.....Fath, BB0369 – Quality rating and tiered reimbursement systems
for child care providers

FOR 2005-07 BUDGET -- NOT READY FOR INTRODUCTION

1 **AN ACT ...; relating to:** the budget.

Analysis by the Legislative Reference Bureau

HEALTH AND HUMAN SERVICES

CHILDREN

Under current law, DHFS may license a person to operate a day care center, a county department of human services or social services (county department) may certify a day care provider for reimbursement under the Wisconsin Works (W-2) program, and a school board may establish or contract for the provision of day care programs for children. This bill requires DWD to provide a child care quality rating system that rates the quality of the child care provided by a child care provider that is licensed by DHFS, certified by a county department, or established or contracted for by a school board and to make the rating information provided under that system available to parents, guardians, and legal custodians of children who are recipients, or prospective recipients, of care and supervision from a child care provider, including making that information available on DWD's Internet site.

WISCONSIN WORKS

Under current law, a child care subsidy is available under the W-2 program, which is administered by DWD, to an individual who needs child care to maintain employment or pursue basic or technical college education. Under this child care subsidy program, DWD reimburses child care providers directly and distributes

funds to county departments and American Indian tribal governing bodies for child care services provided to children of migrant workers and to children of W-2 participants. Under the statutes county departments are required to set maximum reimbursement rates for child care providers that provide child care services under the child care subsidy program. This bill provides that DWD may establish a tiered reimbursement system for the child care subsidy program. Under such a system, a child care provider would be reimbursed at a rate that is based on the child care quality rating system established by DWD under the bill that rates the quality of the child care provided by a child care provider. The amount paid to a child care provider under the tiered reimbursement system may exceed the maximum reimbursement rate set by the county department.

For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 49.155 (6) (e) of the statutes is created to read:

2 49.155 (6) (e) The department may establish a tiered reimbursement system
3 under which the department reimburses a child care provider for child care services
4 provided under this section at a rate that is based on the child care provider's quality
5 rating under the rating system established under s. 48.982 (5). Notwithstanding
6 pars. (a), (b), and (c), the rate at which a child care provider is reimbursed under a
7 system established under this paragraph may exceed the maximum reimbursement
8 rate established under par. (a), (b), or (c).

9 **SECTION 2.** 49.982 (5) of the statutes is created to read:

10 49.982 (5) The department shall provide a child care quality rating system that
11 rates the quality of the child care provided by a child care provider that is licensed
12 under s. 49.98, certified under s. 49.156, or established or contracted for under s.
13 120.13 (14). The department shall make the rating information provided under that
14 system available to the parents, guardians, and legal custodians of children who are
15 recipients, or prospective recipients, of care and supervision from a child care

1 provider that is licensed under s. 49.98, certified under s. 49.156, or established or
2 contracted for under s. 120.13 (14), including making that information available on
3 the department's Internet site.

4 (END)